

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 377 - HB 885**

March 21, 2021

**SUMMARY OF BILL:** Requires the Department of Human Services (DHS) to provide each family receiving assistance under the Temporary Assistance for Needy Families (TANF) program a \$400 grant each month for a three-month period beginning one month after the effective date of this legislation.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – An increase in federal Temporary Assistant for Needy Families (TANF) expenditures for the Department of Human Services (DHS) of \$18,349,200 in FY21-22.**

**While these expenditures can currently be absorbed within the DHS's existing TANF block grant, to the extent other legislation is enacted that utilizes such funding and reserves, DHS will experience an increase in state expenditures. The extent and timing of any additional fiscal impact to DHS, if any, cannot be reasonably determined.**

Assumptions:

- Based on information provided by DHS, there are currently 15,291 families receiving temporary assistance under the TANF program.
- The total one-time increase in federal TANF expenditures for DHS is estimated to be \$18,349,200 (15,291 families x \$400 x 3 months) in FY21-22.
- The recurring annual amount the state receives from the federal government per the TANF block grant is approximately \$191,000,000. Additionally, DHS has the authority to draw from TANF reserve funds. As of September 30, 2020, the balance of the TANF reserve funds, was approximately \$735,800,000.
- Passage of the proposed legislation will increase federal TANF expenditures for the DHS. While these expenditures can currently be absorbed within DHS's existing block grant, to the extent legislation is enacted that utilizes such funding and reserves, the DHS will experience an increase in state expenditures to meet the requirements of this legislation. The extent and timing of any additional fiscal impact to the DHS, if any, are unknown and cannot be reasonably determined.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

Krista Lee Carsner, Executive Director

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